



## COUNCIL MINUTES

June 26, 2008

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 26, 2008 at 7:32 a.m.

### COUNCIL PRESENT

Mayor Scott Smith  
Alex Finter  
Dina Higgins  
Kyle Jones  
Dennis Kavanaugh  
Dave Richins

### COUNCIL ABSENT

Scott Somers

### OFFICERS PRESENT

Christopher Brady  
Debbie Spinner  
Linda Crocker

Mayor Smith excused Councilmember Somers from the entire meeting.

#### 1. Review items on the agenda for the July 1, 2008 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest declared: None

Items removed from the consent agenda: None

Items added to the consent agenda: None

#### 2. Hear a presentation, discuss and provide direction on revising the 2008 bond program, including Streets and Public Safety projects, ballot language and associated funding.

City Manager Christopher Brady noted that the Council's summary of proposed bond projects includes the Broadway Road project from Sossaman Road to Hawes Road, and he said that this project was added to the proposal in order to address drainage issues in the surrounding neighborhoods. He advised that the ballot language would be placed on the July 1, 2008 agenda for Council consideration in order to meet the legal timelines.

Deputy City Manager Bryan Raines displayed a PowerPoint Presentation (a copy is available for review in the City Clerk's Office) and noted that the two-year program totals \$169.2 million for General Obligation (G.O.) bonds for 11 Public Safety projects (see Attachment 1) and 13 Street projects (see Attachment 2). He advised that the average estimated tax rates would be \$0.1413

for new debt and \$0.0289 for the Public Safety offset for operations and maintenance for a total of \$0.1718.

Mayor Smith clarified that the Public Safety offset is a separate issue, and he stated that the \$0.1413 average tax rate is for new debt only. He added that the Council would make a decision regarding the Public Safety offset at a future date.

Mr. Raines reported that the estimated annual cost to property owners for both the new debt service and the Public Safety offset would be as follows:

\$100,000 Residence =	\$ 17.18 annually
\$250,000 Residence =	\$ 42.95 annually
\$2.5M Commercial/Industrial =	\$859.07 annually

Mr. Raines advised that staff is requesting direction regarding the ballot language that is to be presented for Council consideration at the July 1, 2008 Council meeting.

In response to a comment from Vice Mayor Jones, Mr. Raines confirmed that voter-approved bond funding for Public Safety cannot be transferred to another area.

Responding to a question from Mr. Brady regarding restrictions and obligations related to bonds for streets and transportation issues, City Attorney Debbie Spinner quoted part of the resolution prepared by the City's bond counsel and adopted by the Council in November 2007 as follows: "Shall Mesa be authorized to issue and sell (blank) amount of General Obligation bonds to provide funds to design, acquire, construct, improve, furnish and equip the City's streets and highways and traffic control facilities and acquire land and interest in land thereof?" She noted that although the ballot is not project specific, information in other formats would be provided to the public regarding specific projects. Ms. Spinner said she would contact the City's bond counsel before the next Council meeting to seek clarification regarding legal restrictions on the expenditure of bond funds for streets and transportation issues.

Councilmember Finter expressed concern that bonds and sources other than the City's operating budget would become the primary funding mechanism for new Public Safety positions.

Mayor Smith concurred with the comments of Councilmember Finter, and he noted that funding sources for Public Safety would be an ongoing topic of discussion. He thanked staff for providing the information, but he explained that the Council would consider all available funding options. He added that his preference is that a secondary property tax to offset Public Safety operations would be levied only if no other options are available.

In response to a question from Councilmember Higgins, Ms. Spinner advised that the State Statutes are specific regarding the wording of the ballot language. She added that the Statutes state that if the intent of the Council is to pay the bonds by a levy of a property tax, the ballot language shall contain the following statement: "The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds."

Mr. Brady added that a more detailed explanation of the specific projects in the bond package could be included in the Publicity Pamphlet that is provided to voters before the election.

Councilmember Richins stated the opinion that the current bond package was insufficient to address the community's transportation needs. He advised that his constituents are seeking transit alternatives, and he noted that transit is an important component of economic development.

Vice Mayor Jones explained that the current Council favored a smaller, two-year bond package rather than the five-year package proposed by the former Council. He said that although certain bond projects have been delayed, the projects have not been eliminated.

Councilmember Kavanaugh concurred with the remarks made by Councilmember Richins. He said that the response from his constituents is that the current bond package is insufficient to address the transit needs of the community. Councilmember Kavanaugh added that the City should continue to participate in ongoing Regional planning efforts that address many of the transportation issues.

Mayor Smith reported that he recently had an opportunity to tour the Dobson District Police Station and, directing his comments to Police Chief George Gascón who was present in the audience, he commended the Dobson staff for performing their jobs in extremely poor and crowded conditions.

Responding to questions from Councilmember Finter regarding the cost of constructing fire stations, Fire Chief Harry Beck noted that every type of construction cost has escalated. He explained that fire stations are constructed to last 30 to 50 years with space for future growth, and he noted that the stations have become a site for community meetings. He advised that the stations have some unique requirements, such as reinforced concrete in order to support the weight of heavy fire trucks. Chief Beck added that the buildings, which house trucks and equipment, must meet higher ventilation standards in order to address vehicle exhaust issues. He added that Mesa's construction costs are comparable to or less than other areas of the country.

Councilmember Finter concurred that Mesa's funding for Public Safety has been inadequate, and he expressed the opinion that Station 215 at the Phoenix-Mesa Gateway Airport would not address the community's need for improved response times.

Mayor Smith stated that by presenting voters with a bond proposal that includes a secondary property tax, citizens are being asked to invest in the community. He expressed the opinion that the proposed bond package is a responsible and measured approach, and he said that the consensus of the Council is for staff to prepare the ballot language for Council consideration at the next Regular Council meeting.

Ms. Spinner noted that a reference to a secondary property tax would not preclude the Council from utilizing other funding sources, and she confirmed that the proposed ballot language for the reduced bond package and the resolution will be available at the next Council meeting.

Mayor Smith thanked staff for the information.

3. Acknowledge receipt of minutes of various boards and committees.

- a. Transportation Advisory Board meeting held on March 18, 2008

It was moved by Councilmember Richins, seconded by Councilmember Kavanaugh, that receipt of the above-referenced minutes be acknowledged.

Mayor Smith declared the motion carried unanimously by those present.

4. Hear reports on meetings and/or conferences attended.

Mayor Smith announced that the Maricopa Association of Governments (MAG) presented a Desert Peak award to the Mesa Police Department in recognition of their leadership in creating the Fusion Center, which facilitates participating East Valley agencies to share information regarding criminal activity.

Chief Gascón reported that the Fusion Center concept has been very successful, and he stated that the process of agencies sharing information was instrumental in the recent apprehension of a serial killer as well as other offenders.

5. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

Tuesday, July 1, 2008, TBA – Study Session

Tuesday, July 1, 2008, 5:45 p.m. – Regular Council Meeting

Thursday, July 3, 2008, 7:30 a.m. – Study Session

Tuesday, July 8, 2008, TBA – Study Session

Tuesday, July 8, 2008, 5:45 p.m. – Regular Council Meeting

6. Items from citizens present.

There were no items from citizens present.

7. Adjournment.

Without objection, the Study Session adjourned at 8:08 a.m.

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SCOTT SMITH, MAYOR

ATTEST:

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LINDA CROCKER, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 26<sup>th</sup> day of June 2008. I further certify that the meeting was duly called and held and that a quorum was present.

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LINDA CROCKER, CITY CLERK

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Attachments (2)